Saskmilk

# UPDATE

**September 17, 2012**

## QUOTA EXCHANGE

There was no market-clearing price established for the September, 2012 Quota Exchange.

The next Quota Exchange will be held on October 15, 2012. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, October 6, 2012. SaskMilk recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

The results of the Quota Exchange are outlined in the following Table.

## SEPTEMBER, 2012 QUOTA EXCHANGE RESULTS SUMMARY

| | |
|---|---|
| **Market Clearing Price per kilogram of butterfat** | **$ 0.00** |
| **Daily Kilograms offered to Purchase** | **0** |
| **Kilograms offered to Sell** | **240.25** |
| **Kilograms sold** | **0** |
| **Number of Producers** | |
| **- offered to purchase** | **0** |
| **- purchased quota** | **0** |
| **- offered to sell** | **9** |
| **- sold quota** | **0** |

## SEPTEMBER, 2012 QUOTA EXCHANGE CLEARING PRICE RESULTS

| Price ($/daily kg b.f.) | No. of Sellers | Cumulative Sellers | Daily Kgs b.f. offered for sale | Cumulative sales | Cumulative Sales less Cumulative purchases | Cumulative purchases | Daily Kgs b.f. offered to purchase | Cumulative Buyers | No. of buyers |
|---|---|---|---|---|---|---|---|---|---|
| $29,500.00 | 1 | 1 | 10.00 | 10.00 | 10.00 | 0.00 | 0.00 | 0 | 0 |
| $30,000.00 | 4 | 5 | 88.00 | 98.00 | 98.00 | 0.00 | 0.00 | 0 | 0 |
| $30,500.00 | 1 | 6 | 10.00 | 108.00 | 108.00 | 0.00 | 0.00 | 0 | 0 |
| $30,900.00 | 1 | 7 | 15.00 | 123.00 | 123.00 | 0.00 | 0.00 | 0 | 0 |
| $31,000.00 | 1 | 8 | 107.00 | 230.00 | 230.00 | 0.00 | 0.00 | 0 | 0 |
| $31,500.00 | 1 | 9 | 10.25 | 240.25 | 240.25 | 0.00 | 0.00 | 0 | 0 |

## TRANSFER CREDIT SUMMARY REPORT

| MONTH | # OF PRODUCERS TRANSFER IN | # OF PRODUCERS TRANSFER OUT | TOTAL KGS BUTTERFAT |
|---|---|---|---|
| August | 19 | 26 | 29,476 |
| September | 14 | 13 | 15,745 |
| October | 23 | 21 | 25,971 |
| November | 25 | 27 | 27,199 |
| December | 23 | 22 | 22,169 |
| January, 2012 | 18 | 16 | 22,543 |
| February | 18 | 16 | 13,595 |
| March | 16 | 16 | 8,585 |
| April | 30 | 18 | 27,232 |
| May | 13 | 12 | 12,700 |
| June | 11 | 12 | 9,467 |
| July | 7 | 7 | 6,610 |
| August | 8 | 9 | 7,748 |

## OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH

| MONTH | # OF PRODUCERS | KGS BUTTERFAT |
|---|---|---|
| August | 1 | 78 |
| September | 2 | 157 |
| October | 3 | 357 |
| November | 3 | 329 |
| December | 4 | 1,032 |
| January, 2012 | 10 | 2,606 |
| February | 11 | 4,724 |
| March | 11 | 3,154 |
| April | 27 | 9,368 |
| May | 22 | 3,358 |
| June | 9 | 1,120 |
| July | 5 | 441 |
| August | 4 | 403 |

**SUMMARY REPORT OF CREDITS August, 2012 – 171 PRODUCERS**

| DAYS | # OF PRODUCERS | POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT) |
|---|---|---|
| +10 | 0 | 0 |
| + 5 to +10 | 7 | 2,397 |
| 0 to + 5 | 45 | 13,970 |
| TOTAL | 52 | 16,367 |
| **DAYS** | **# OF PRODUCERS** | **NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)** |
| -20 | 0 | 0 |
| -15 to -20 | 23 | -55,415 |
| -10 to -15 | 25 | -47,950 |
| -5 to -10 | 30 | -31,809 |
| 0 to -5 | 41 | -15,340 |
| TOTAL | 119 | -150,514 |

**WEIGHTED AVERAGE COMPONENT TESTS & PRICES August, 2012**

| Components | Average Test | Price per kilogram Class 1 to 5 |
|---|---|---|
| Butterfat | 3.7674 | 11.065974 |
| Protein | 3.2495 | 8.065974 |
| Other Solids | 5.6916 | 1.151269 |

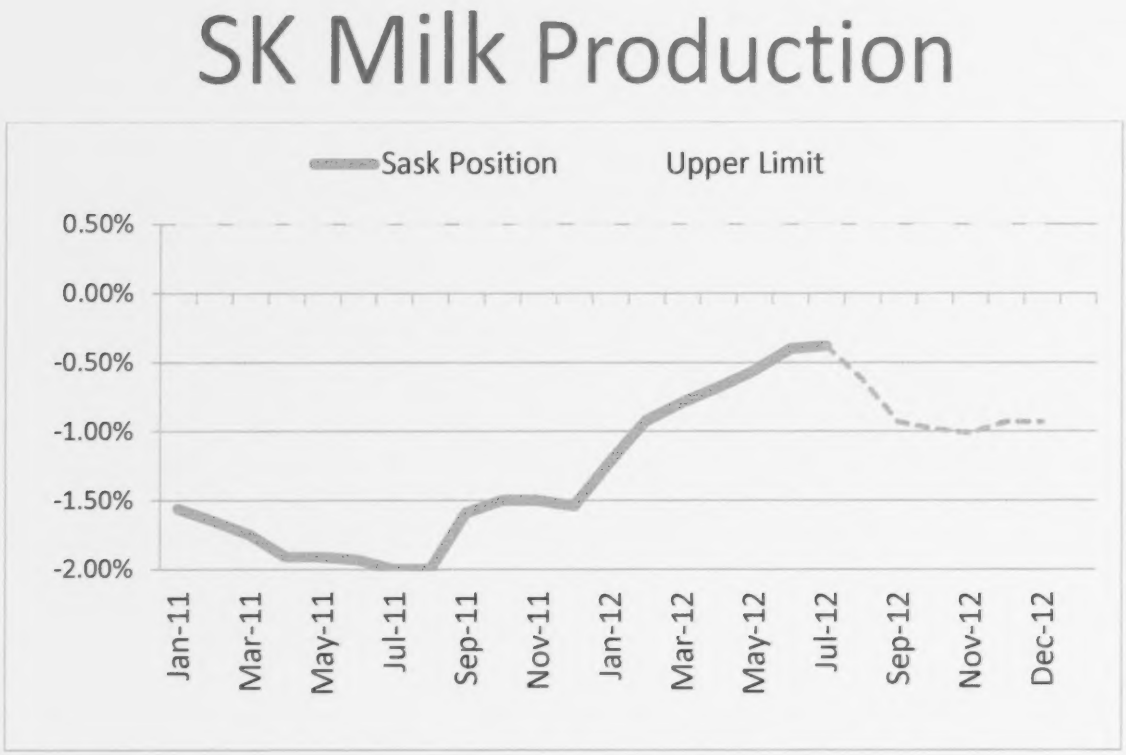
Based on the average component tests for the province, the average price received was **$74.4524** per hectolitre. **The average butterfat price received per kilogram was $19.75.**

**SASKATCHEWAN MILK POOL RESULTS August, 2012**

| | |
|---|---|
| Milk Sale Revenue | $ 13,769,064.64 |
| Western Milk Pool | $ 542,003.02 |
| Plant of Last Resort Service | $ (54,782.58) |
| **Total Pool Value** | **$ 14,256,285.08** |

**LOST OPPORTUNITY REPORT**

| MONTH | # OF PRODUCERS | LOST OPPORTUNITY (KGS OF BUTTERFAT) |
|---|---|---|
| August | 24 | 10,994 |
| September | 28 | 13,098 |
| October | 21 | 8,137 |
| November | 18 | 5,354 |
| December | 10 | 2,240 |
| January, 2012 | 6 | 1,106 |
| February | 4 | 1,487 |
| March | 8 | 3,854 |
| April | 13 | 9,776 |
| May | 10 | 5,501 |
| June | 11 | 6,523 |
| July | 16 | 9,952 |
| August | 22 | 13,704 |



In August, Saskatchewan had a monthly CDC allocation of **714,573 kilograms** of butterfat. In the month of August, Saskatchewan production was **-13,514 kilograms** of butterfat under and cumulatively **under** by **-47,511 kilograms** of butterfat. On a percentage basis, Saskatchewan is **-0.53%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower flexibility limit is in effect.

| | (1) Monthly Total Production Kgs bf | (2) Total Monthly CDC Quota Allocation Kgs bf | (3) Monthly Over or (Under) Production Kgs bf col. 1 – 2 = 3 | (4) Lower Flexibility Limit **(1.5%)** Kgs bf col. 9 * -1.5% | (5) Upper Flexibility Limit **1.0%** Kgs bf col. 9 *1.0% | (6) Cumulative Over or (Under) Production with limits Kgs bf | (7) Cumulative Over or (Under) Production with limits in - % col. 6 / 9 | (8) Over Quota or (Lost Production Opportunity) Kgs bf | (9) Rolling 12 Month Total Quota Kgs bf |
|---|---|---|---|---|---|---|---|---|---|
| **Aug-11** | 733,202 | 745,258 | (12,056) | (178,337) | 44,584 | **(178,337)** | **-2.00%** | (11,500) | 8,917,847 |
| **Sep-11** | 716,780 | 744,377 | (27,597) | (178,670) | 44,667 | **(142,052)** | **-1.59%** | (63,882) | 8,933,497 |
| **Oct-11** | 762,771 | 774,160 | (11,389) | (134,262) | 44,754 | **(134,262)** | **-1.50%** | (19,179) | 8,950,830 |
| **Nov-11** | 754,256 | 767,286 | (13,030) | (134,481) | 44,827 | **(134,481)** | **-1.50%** | (12,811) | 8,965,400 |
| **Dec-11** | 786,189 | 790,598 | (4,409) | (134,551) | 44,850 | **(138,320)** | **-1.54%** | (570) | 8,970,053 |
| **Jan-12** | 800,269 | 771,312 | 28,987 | (134,755) | 44,918 | **(109,363)** | **-1.22%** | 0 | 8,983,638 |
| **Feb-12** | 752,035 | 725,489 | 26,546 | (135,400) | 45,133 | **(82,817)** | **-0.92%** | 0 | 9,026,671 |
| **Mar-12** | 781,420 | 769,585 | 11,835 | (135,588) | 45,196 | **(70,982)** | **-0.79%** | 0 | 9,039,176 |
| **Apr-12** | 744,524 | 735,251 | 9,273 | (135,553) | 45,184 | **(61,708)** | **-0.68%** | 0 | 9,036,834 |
| **May-12** | 765,359 | 754,299 | 11,060 | (135,605) | 45,202 | **(50,772)** | **-0.56%** | 0 | 9,040,303 |
| **June-12** | 737,921 | 723,028 | 14,893 | (135,565) | 45,188 | **(35,917)** | **-0.40%** | 0 | 9,037,685 |
| **July-12** | 723,166 | 721,246 | 1,920 | (135,331) | 45,110 | **(33,997)** | **-0.38%** | 0 | 9,022,051 |
| **Aug-12** | 721,786 | 735,300 | (13,514) | (135,181) | 45,060 | **(47,511)** | **-0.53%** | 0 | 9,012,093 |

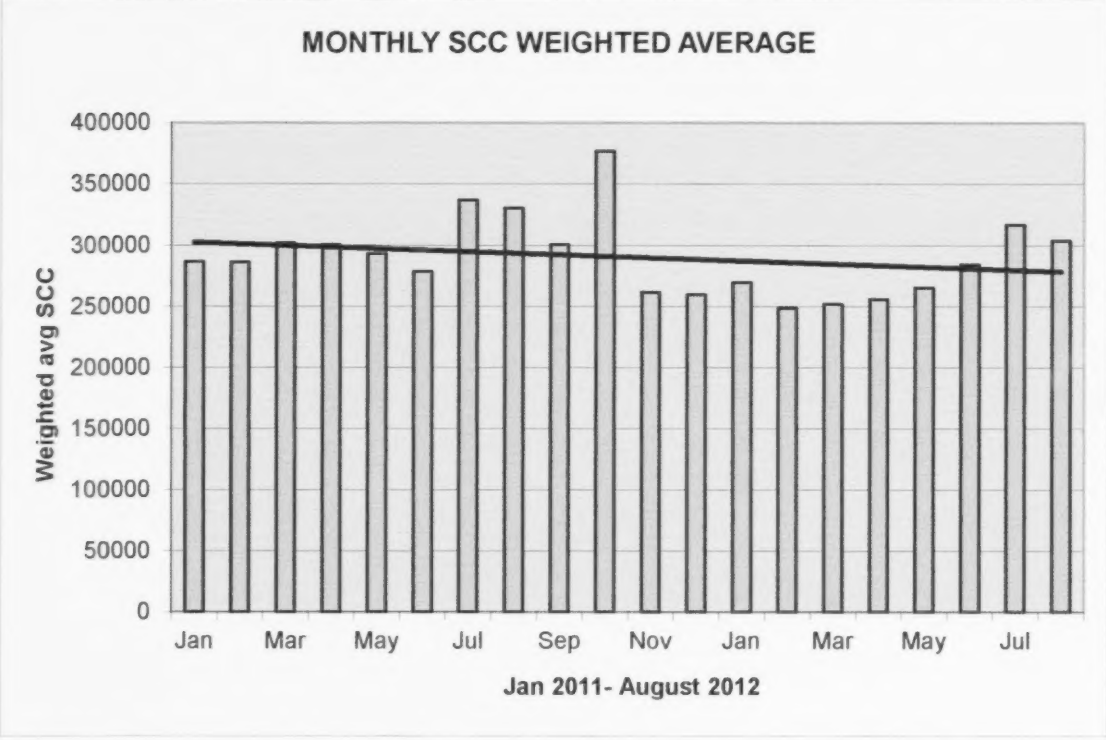
(1) Monthly Production in Saskatchewan
(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
(3) Difference between the monthly production (1) and the total monthly quota (2)
(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
(8) Over Quota or (Lost production opportunity) outside of flexibility limits
(9) Total Monthly CDC Quota Allocation for the previous 12 months

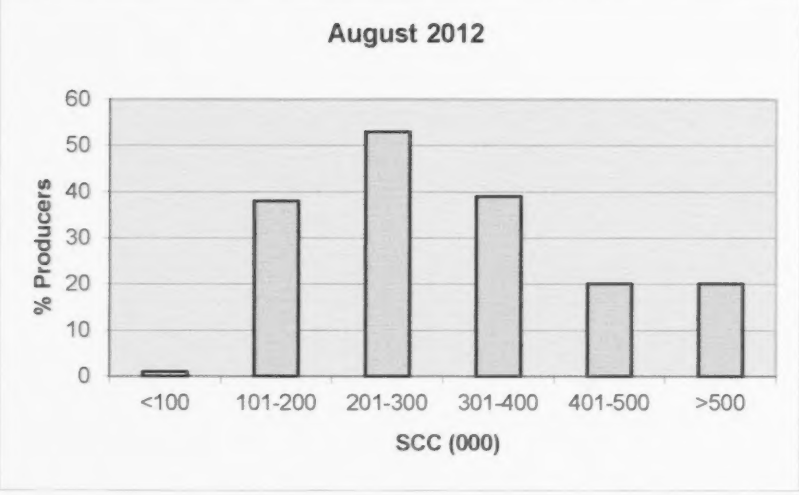
**SCC LIMIT CHANGING TO 400,000**

Effective August 1, 2012, the SCC limit is changing to 400,000. From August 1, 2012 until December 31, 2012 violation of the new limit will be indicated by a Warning. Penalties will be applied according to the new limit starting January 1, 2013.

The following graphs provide producers with an overview of the Provincial Somatic Cell Count weighted average on a monthly basis as well as a breakdown of the % of producers in each SCC level for the month of July.

If you have any questions contact: Deb Haupstein at 306-721-9486.



## August 2012 Producer Statement Changes

Producers will see two changes going forward on their producer statement this August 2012.

PROMOTION

The SMMB promotion/admin Levy has been replaced by the SaskMilk promotion levy of $1.40 per hecolitre. The SMMB promotion/admin Levy was charged to producers on a kilogram of butterfat basis and the new SaskMilk promotion levy is charged on a per hecolitre basis.

HAULAGE

The Producer Basic Haulage charge is no longer calculated as all producers will pay the same blended rate per hecolitre for haulage. The new blended rate will be charged to all producers as Producer Provincial Haulage. Extra freight charges will continue to be the individual producer expense and not pooled.

## Dairy Herd Health and Screening Initiative

SaskMilk has started a screening initiative to determine the production limiting disease prevalence in Saskatchewan dairy herds.

Bulk milk samples were taken from all herds and are being tested for antibodies for MAP and Leukosis. PCR tests are being used to detect the presence of BVD and contagious mastitis. Results for Johne's, Leukosis, BVD and contagious mastitis were sent out last week.

Collection of 6 environmental fecal samples from manure concentration, manure storage and cow concentration areas for culture, isolation and molecular typing of MAP organisms has started.

If you have any questions or concerns regarding this study please contact:
Deb Haupstein at 306-721-9486

## UPCOMING MEETINGS/EVENTS

Fall 2012 Producer Meetings:
Monday, October 29, 2012 – Swift Current
Tuesday, October 30, 2012 – Warman
Wednesday, October 31, 2012 – Fort Qu'Appelle

SaskMilk 3rd Annual General Meeting and Conference
November 7 & 8, 2012 – Saskatoon

## QUOTA LISTING SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk.

**Please note that ads will be posted in two issues and will then be removed unless SaskMilk is notified otherwise.**

- Eight Holstein heifers with papers – 12 months & 10 months old
  1 nine month old bull with TEE OFF SEYMAR
  1 bred heifer close to calving with paper
  Contact Peter Schwendemann
  (306) 225-4385

- Cows & Quota for Sale – (306) 862-7140

- Quota for Sale, 22.24 daily kgs, Hermann Studer, 306-594-2624

- Nice looking breeding bull for sale. Gillette Jordan x Pennview Bolton Iria. Born Oct 25, 2011. Reg# 9921033. 3rd Dam Pennview Rudolph India, 2006 & 2008 Finalist Canadian Cow of the Year. Call: Bas (306) 242-8949

- For Sale: 20 kg daily butterfat. Call Johan 1-306-750-7273

## SASKMILK BOARD OF DIRECTORS

Blaine McLeod – Chair
(306) 756-2775
rb.mcleod@sasktel.net

Melvin Foth – Vice Chair
(306) 225-4678
fvl@sasktel.net

David Entz
(306) 741-0632
davidentz3662@gmail.com

Jack Ford
(306) 328-4700
jackford@sasktel.net

Jason Wildeboer
(306) 249-4358
skunkhollow@yourlink.ca

Isaac Klassen
(306) 249-4435
isaac00@sasktel.net

Jim Ross
(306) 697-2232
jimleeholsteins@sasktel.net

Juliann Lindenbach
(306) 771-2776
robella@sasktel.net

Sheldon Peifer
(306) 862-9470
dspeifer@sasktel.net

For further information, please contact the SaskMilk office.
444 McLeod Street
Regina, Saskatchewan S4N 4Y1
Telephone: (306) 949-6999
Fax: (306) 949-2605
Website: www.saskmilk.ca
Email: info@saskmilk.ca